

**AMENDMENTS TO THE SPECIFICATION**

Please replace paragraph [0008] with the following paragraph:

[0008] In an embodiment of the present invention, the transformer includes a transformer housing defining a transformer tank and a transformer chamber formed in the transformer tank. A plurality of typically vertically oriented magnetic core elements and primary and secondary windings are positioned within the transformer chamber. The primary and secondary windings substantially surround at least portions of the core and provide the step-up voltage. A filter, generally configured as a low pass filter, includes a plurality of inductors and a plurality of capacitors and is provided to filter harmonics created by the variable speed drive. The plurality of inductors are uniquely also positioned within the transformer chamber. Each of the three-phases of the transformer includes at least one of the inductors preferably connected between a bushing connected to the transformer tank and the primary ~~windings~~ winding or windings associated with that individual phase of the three-phases.

Please replace paragraph [00028] with the following paragraph:

[00028] Referring to Figure 1 and 8, a filter arrangement such as low pass filters 17 can be employed to filter harmonics created or translated by the variable frequency drive 15 so that a more sinusoidal wave form is provided to the motor 19. Filter 17 preferably includes a set of inductors 21 and a set of capacitors 22. The inductors 21 are positioned within the transformer 13, and each are electrically connected in series between an output of variable frequency drive 15 and a corresponding input to transformer primary windings 31, respectively. The capacitors 22 are electrically connected to the transformer primary ~~binary~~ winding 31 in either a delta or wye configuration (Figure 9). In the exemplary embodiment, the filter 17 includes three inductors 21, three single phases or one three-phase, each connected in series between the output of the variable frequency drive 15 and the primary windings 31 of one of the phases, and a three-phase capacitor bank 23 (Figure 2) is preferably configured to connect phase-to-phase at the input of the transformer 13. Capacitor bank 23 comprises three capacitors 22 mounted as a unit. Note, the filter 17 can be positioned on the secondary winding side of the transformer 13, but additional benefits are realized by positioning the filter 17 on the primary winding side of the transformer 13.